



## ***AOT in Action***

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

### **A Message from Director Sherry Henry:**

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Good afternoon,

As we announced at the 2011 Governor's Conference on Tourism, the Arizona Office of Tourism commissioned an [Arizona Wine Tourism Industry Survey](#) to gain market research on our state's developing wine industry.

From visitor demographics and travel patterns to satisfaction perceptions and spending patterns, this survey provided helpful information as to why visitors want to experience the Arizona wine industry. Northern Arizona University's, Arizona Hospitality Research & Resource Center conducted the survey and information was collected from both southern and northern Arizona wineries.

For results of the survey, please read the **AOT News** section below.

Have a great week,

Sherry Henry  
Director, Arizona Office of Tourism

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### **AOT News**

#### **Wine Survey Released by Arizona Office of Tourism Provides Valuable Insight into Growing Industry**

According to a survey commissioned by the Arizona Office of Tourism (AOT), Arizona's emerging wine industry contributes an estimated \$38 million dollars into the state's economy. What's

more, the developing industry has become a substantial tourism attraction for Arizona's rural communities, significantly impacting local economies.

Currently, there are more than 45 licensed wineries within the state of Arizona, with 10 licensed tasting rooms. More than 650 acres of vines are located throughout the Grand Canyon State, which produce 66,000 gallons and 21,000 cases of both red and white wine per year. Wineries in Arizona are located in two distinct areas in the southeast and north-central parts of the state. The southeast wineries, the oldest and most established, are located in the Santa Cruz County communities of Sonoita and Elgin, and in Cochise County near Dripping Springs and Willcox. The northern wineries are a newer phenomenon, developing over the last decade in the Verde Valley of Yavapai County, where wineries are concentrated in the communities of Page Springs, Cottonwood and Jerome.

The report, Arizona's Wine Tourism Industry Survey, was conducted by Northern Arizona University's, Arizona Hospitality Research & Resource Center. The goal was to gather market research on Arizona's developing wine industry, including visitor demographics, travel patterns, satisfaction perceptions of the Arizona wine experience and spending patterns. Additionally, the survey calculated the economic impact of the industry to the state's economy. The survey collected more than 500 surveys from the state's three wine growing regions in Santa Cruz, Cochise and Yavapai Counties, over a four-month period from February through May 2011.

"The Arizona wine industry has achieved such extraordinary successes with products that complement our state's diversity and vibrancy," said Sherry Henry, AOT's director. "From this survey, we learned just how important this industry is to our tourism industry, as well as to the state's economic vitality." >> [Read Full Article](#)

### **AOT Cooperative Program Announced – Limited Opportunity Deadlines August 3**

The Arizona Office of Tourism's (AOT) Fiscal Year 2012 Consumer Cooperative Advertising Opportunities were presented Wednesday, July 13 at the Governor's Conference on Tourism to statewide DMOs. Through AOT's participation with certain media partners, negotiated rates will be extended to statewide entities for select print, online and video on demand opportunities.

To view the AOT media plan and cooperative advertising opportunities, visit <http://www.azot.gov/download/414>. For specific questions on the media plan and cooperative opportunities, contact Rebekah Bell, advertising manager at 602-364-3699 or Robin Garrison, digital advertising manager at 602-364-3710. [http://www.azot.gov/system/files/415/original/AOT\\_FY12\\_Co-op\\_Opportunities\\_FINAL.pdf?1310767832](http://www.azot.gov/system/files/415/original/AOT_FY12_Co-op_Opportunities_FINAL.pdf?1310767832).

### **Register Now for the 13th Annual Arizona Showcase in Hermosillo**

The Arizona Office of Tourism will hold the 13th Annual Arizona Showcase October 6, 2011 in Hermosillo, Sonora, Mexico. This event promotes fall and holiday shopping, attractions, accommodations and medical services throughout the State. The highlight of the event will be a charity fashion show with local models - specifically targeting high income families and individuals with a strong propensity to travel. The cost to participate varies from \$900 - \$2,500 depending on type of supplier and level of participation, plus travel expenses and shipping. **The deadline to participate is August 31, 2011.** For more information please contact Kristin Swanson at [kswanson@azot.gov](mailto:kswanson@azot.gov) or 602-364-3696.

### **Join us as the Arizona Office of Tourism goes to Canada**

The Arizona Office of Tourism's trade representatives will head to Canada twice this fall to promote Arizona to the travel trade. One mission will be to the east visiting Montreal and Winnipeg the week of October 9 and one will be to the west visiting Regina, Saskatoon and Edmonton the week of October 30. DMOs and suppliers are welcome to participate. If you are interested in joining the trade team in Canada and would like more information, please contact Jennifer Sutcliffe at [jsutcliffe@azot.gov](mailto:jsutcliffe@azot.gov) or Kristin Swanson at [kswanson@azot.gov](mailto:kswanson@azot.gov).

### **Advertisement Opportunities Available in AOT's Consumer Fulfillment Pieces**

#### *2012 Arizona Official State Visitor's Guide*

Madden Media is now accepting advertising reservations for the 2012 Official State Visitors Guide (OSVG) and Map. This is the main consumer fulfillment piece of the Arizona Office of Tourism. The 2011 OSVG successfully integrates with AOT's online marketing efforts, including [www.arizonaguide.com](http://www.arizonaguide.com). Travelers have responded well to the newer OSVG design and magazine-style features that were rolled out in the 2010 OSVG and Map. Of particular interest, potential visitors found advertising placements helpful and stated in focus group testing that they would use them to choose specific trip activities. The 2012 OSVG will continue to build upon this success!

For more information, please contact Madden Media's Phoenix office at 480-638-3770 or Tucson office at 520-322-0895.

#### *AOT Consumer E-newsletter & Banner Ads*

Additionally, there is also a chance to participate in AOT's consumer eNewsletters and banner advertising efforts on [www.arizonaguide.com](http://www.arizonaguide.com). AOT distributes a monthly eNewsletter to 350,000+ subscribers who have opted in to information regarding Arizona travel. Madden Media is also offering immediate opportunities for interested advertisers to sponsor AOT's consumer eNewsletters, which have been recently redesigned to ensure more attention and click-thrus for partners. Immediate online opportunities are available, as well as discounts when you combine print placements with the digital vehicles.

For more information, please contact Madden Media's Phoenix office at 480-638-3770 or Tucson office at 520-322-0895.

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### **Upcoming Events & Activities**

#### **Vancouver Media Marketplace**

Dates: August 16

Location: Hawksworth Restaurant, Vancouver

#### **France Media Mission**

Date: September 12 – 16

Location: Paris, France

## [Montreal Media Mission](#)

Date: September 27– 28

Location: Montreal, QB

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### Industry News

#### **Business Travel Remains on a Steady Pace**

Rising costs are not slowing business travel in the US, according to the Global Business Travel Association (GBTA). The industry body revealed that business travel spend remained steady during the second quarter of 2011, reaching US\$62.2 billion. This represents an increase of 6.3 percent compared to the second quarter of this year—despite a rise in the prices of air fares and hotel rooms.

The continued business travel spend is positive for the US economy, said Michael McCormick, GBTA's executive director and COO. "By the end of 2010 it looked like the light at the end of the recession tunnel as the economy overall and business travel specifically were gathering positive momentum," he said.

He added: "Now is the time when companies will absolutely call upon their strategic travel programs to help offset rising costs and keep travelers doing business."

Business travel prices in the US are expected to rise by up to 5 percent in 2011, predicted the GBTA. With travel prices on the rise, due to higher oil prices and increased demand, spend in the business travel sector is expected to return to pre-recession levels by the first quarter of 2012, or sooner than previously thought. "Corporate and management confidence remains high, which is why we're still seeing companies put employees on the road," said McCormick. (*Travel Mole, July 18*)

#### **U.S. Airlines Poised for Profits but Face Headwinds**

U.S. airlines have got a dependable toehold on financial stability, but the companies still face headwinds from soaring fuel prices and economic weakness that could batter bookings later this year. Airlines are seen mostly profitable for the second quarter when the earnings reports start rolling in on Wednesday.

Experts say they are mostly optimistic about the industry outlook although shares of major U.S. airlines fell to one-year lows on Monday amid worries in the market that economic weakness could slow travel demand in the fall.

"Possible mild economic turbulence for the economy in the second half of the year may test airlines on cost cutting measures and capacity restraints taken," said Ray Neidl, a senior aerospace analyst with Maxim Group, in a research note.

"Much of this uncertainty should already be reflected in airline stock prices," Neidl said. "We believe that despite challenges, the long term outlook looks solid for the industry." (*Reuters, July 18*)

### **STR: June Reports Highest RevPAR Since Aug. '08**

The U.S. hotel industry finished June with the highest revenue per available room since August 2008, according to data from STR. In June, the industry reported a 7.8-percent increase in RevPAR to US\$68.90. The RevPAR in August 2008 was US\$72.14. Overall occupancy for the United States hotel industry increased 4.2 percent to 67.6 percent and average daily rate ended the month up 3.5 percent to US\$101.95.

"The hotel industry's performance improvements during the first half of 2011 have been steady, and we have no reason to believe the second half of the year won't continue on the same track," said Amanda Hite, STR's president. "Demand continues to be at peak levels and supply increases are minimal. High fuel costs have tapered and the summer travel season likely will prove to be a profitable, busy time for hoteliers. As average daily rate growth begins to gain more momentum, we expect the confidence of hotel owners and operators to also rise."

Among the Chain Scale segments, the Luxury segment experienced the largest increases in all three key performance metrics. Its occupancy rose 5.7 percent to 74.3 percent, its ADR rose 6.6 percent to US\$248.52, and its RevPAR increased 12.7 percent to US\$184.66. The Midscale segment was the only segment to report a decrease in any of the three key performance metrics. The segment's ADR fell 1.2 percent to US\$75.22.

Among the Top 25 Markets, Dallas, Texas, reported the largest occupancy increase, rising 13.7 percent to 66.4 percent. Three other top markets posted double-digit occupancy increases: Miami-Hialeah, Florida (+11.0 percent to 70.9 percent); Tampa-St. Petersburg, Florida (+10.8 percent to 60.4 percent); and Detroit, Michigan (+10.6 percent to 66.3 percent). New York, New York, ended the month virtually flat with a 0.9-percent decrease to 85.4 percent.

None of the Top 25 Markets reported ADR or RevPAR decreases.

San Francisco/San Mateo, California, achieved the largest ADR increase, rising 15.0 percent to US\$149.85, followed by Nashville, Tennessee (+10.9 percent to US\$98.92), and Oahu Island, Hawaii (+10.2 percent to US\$160.77).

Six markets experienced RevPAR increases of more than 15 percent: San Francisco/San Mateo (+20.5 percent to US\$127.31); Nashville (+19.1 percent to US\$72.89); Miami-Hialeah (+16.9 percent to US\$88.15); Dallas (+16.7 percent to US\$54.94); Minneapolis-St. Paul, Minnesota-Wisconsin (+15.2 percent to US\$76.77); and Seattle, Washington (+15.1 percent to US\$97.15).

Year-to-date June 2011, the industry's occupancy rose 5.0 percent to 59.2 percent, ADR increased 3.3 percent to US\$100.54, and RevPAR was up 8.5 percent to US\$59.49. (*HNN Newswire, July 21*)

### **Phoenix Tops Occupancy, RevPAR Weekly Increases**

Phoenix, Arizona, achieved the largest occupancy and revenue-per-available-room increases during the week of 10-16 July 2011, according to data from STR. The market's occupancy rose

17% to 53.3%, and its RevPAR was up 32.4% to US\$44.23. Average daily rate in Phoenix increased 13.1% to US\$82.95. Overall, the U.S. hotel industry's occupancy rose 1.8% to 72.2%, ADR increased 3.4% to US\$102.83, and RevPAR finished the week up 5.2% to US\$74.24.

Among the top 25 markets, three markets, excluding Phoenix, reported occupancy increases of more than 10%: Miami-Hialeah, Florida (+10.9 % to 77.0%); Tampa-St. Petersburg, Florida (+10.9% to 63.3%); and Los Angeles-Long Beach, California (+10.6% to 88.2%). New Orleans, Louisiana, fell 18.9% in occupancy to 60.8%, posting the largest decrease in that metric, followed by St. Louis, Missouri-Illinois (-8.4% to 69.3%).

Two markets experienced ADR increases of more than 15%: San Francisco/San Mateo, California (+17.8% to US\$171.79), and Los Angeles-Long Beach (+15.5% to US\$139.67). New Orleans fell 2.8% to US\$96.76, reporting the largest decrease in that metric. New Orleans also reported the largest RevPAR decrease, falling 21.1% to US\$58.79.

Among the chain-scale segments, the upper-midscale segment rose 3.1% in occupancy to 75%, reporting the largest increase in that metric. The luxury segment reported the largest increases in both ADR (+7.8% to US\$242.62) and RevPAR (+10.3% to US\$185.44) increases for the week.

The midscale segment reported the only ADR decrease, falling 1.4% to US\$78.08. The segment ended the week virtually flat in RevPAR, down 0.4% to US\$52.73. (*HNN Newswire, July 21*)

### **Arizonans Urged to Vote for Dead Horse Ranch State Park to Win \$100,000 in National Coca-Cola LivePositively Contest**

Arizonans have an opportunity to help their State Parks win \$100,000 by participating online with the "Live Positively, America's Favorite Park Program" being coordinated by Coca-Cola. The "America is Your Park" program encourages everyone to vote their favorite Arizona State Park by going to [www.livepositively.com](http://www.livepositively.com). The real points will add up though, if you post on your Facebook page with stories and pictures while you are at Dead Horse Ranch State Park because each post is then worth 5 points! Or vote daily during the week...those votes will add up quickly for the park.

Jay Ream, Assistant Director for Arizona's State Parks said, "We would like the public to follow our lead and consolidate their votes so Arizona State Parks can win. We polled our park rangers to get a consensus on one park so we have a better chance to win this amazing prize for the whole system," said Ream. "We believe Arizonans have the greatest passion for all their State Parks and the outdoors so they will join us in voting for Dead Horse Ranch State Park." The Coca-Cola Live Positively initiative will award a \$100,000 recreation grant to the park with the most votes, a \$50,000 grant to the second-place park and a \$25,000 grant to the third-place park. These grants will help buy new equipment, restore activity areas, build trails or simply make the park an overall better place for you and your family.

State Park rangers decided that Dead Horse Ranch State Park in Central Arizona, is a great choice as the park is a base park for traveling around to five State and three National parks in the Verde Valley. You can camp at the park and visit Jerome, Red Rock, Slide Rock and Fort Verde State Parks and there are three National Parks in the Sedona Verde Valley as well.

Dead Horse Ranch has lagoons for fishing, is bounded by the Verde River for canoeing, swimming and is part of one of Arizona's Important Birding areas so it is a haven for endangered and rare birds. The park offers camping cabins, tent and large RV sites with reservations online so families can always plan well in advance to go camping.

While we want you to vote as many times as possible for Dead Horse Ranch State Park, it is more important that you also visit your favorite park. Votes will be tallied on September 6, 2011. So hurry! Go to [www.livepositively.com/#/Americasparks/vote](http://www.livepositively.com/#/Americasparks/vote) and vote for Dead Horse Ranch State Park.

The National Association of State Park Directors (NASPD) established the America's State Parks alliance ([www.americasstateparks.com](http://www.americasstateparks.com)) to mobilize and educate the public and policy makers on the positive impact state parks have on public health and local economies. The Alliance is launching many national fund-raising initiatives to support America's parks. Americans demonstrated a strong demand for budget-friendly outdoor recreation and cultural tourism, with more than 725 million visits to state parks in 2009.

The Arizona State Parks department operates 27 State Parks and historic sites in Arizona and hosts 2.3 million visitors. These visitors then generate \$266 million in spending that supports the economies and jobs in rural communities in Arizona. For more information about Arizona's State Parks visit [www.AZStateParks.com](http://www.AZStateParks.com) or call (602) 542-4174.

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### **Calendar of Events**

Visit [www.ArizonaGuide.com](http://www.ArizonaGuide.com) to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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